

Federal Update

FY26 Community Project Funding (Earmark)

- President signed consolidated appropriations bill on February 3, containing \$1.2M for Portwalk Phase III!
 - First federal funding allocated to the Portwalk.
- Submitted \$4M request to congressional delegation in April 2025.
 - Many projects were significantly cut down vs. member requests in FY26 by the Appropriations Committees.
 - For ex, Port of Everett: \$5M request from Rep. Larsen vs. \$250,000 award

BUILD Competitive Grant Program (USDOT)

- FY26 BUILD applications due February 24.
- \$1.5B in funding available; \$25M maximum award.
- Onboarded new grant writer (Jeannie Beckett, The Beckett Group) and working on new application in line with Trump Administration's revised NOFO.
- Focus on multimodal nature of project and how the seawall protects critical transportation infrastructure
- Program remains highly competitive.
 - For FY25 cycle, 88% of funding awarded in last week of Biden Admin to "projects of merit."
 - Port was unsuccessful for Phase II funding – only \$180M available. 815 applicants requested over \$10B in funding.

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Additional 2026 Federal Grant Opportunities and Approach to Future Funding

- FY 2027 Congressionally Directed Spending (CDS, a/k/a earmark)
 - Opportunity for another earmark to support the project, but need to examine potential for ways to further phase the project.
 - Opportunity: Senate Appropriations is more likely than House to be able to fund a larger CDS request.
 - Risk: Securing two earmarks for a substantially similar project is unlikely.
 - Cantwell CDS deadline: March 8

PROTECT Competitive Grant Program (USDOT)

- FY24 (first round) was highly competitive – WA only received one construction award.
- Timeline for FY25-26 funding remains unclear.

Policy Changes to Support Federal Funding Opportunities

- Surface transportation reauthorization
 - BUILD and TIFIA: Ensure eligibility for seawalls (not currently stated in statute or program NOFOs)
 - Engaged with T&I Committee, Rep. Larsen, and Senate offices on our priorities.
 - House will mark up their bill as soon as April; Senate timing more likely late spring/early summer.
- MARAD reauthorization
 - Modifying PIDP eligibility to enable the Portwalk to qualify.
 - Recently met with Sen. Cantwell's Commerce Committee staff.

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Potential Additional Funding Opportunity: TIFIA

- Credit assistance for large-scale surface transportation projects of regional and national significance.
- Projects can finance up to 49% of eligible costs (previously was 33%).
- Borrowing rate equal to Treasury rates at time of loan execution.
- Maximum term of 35 years following substantial program competition, with 5 year payment deferral.

- Projects “located within the boundary of a port terminal are also eligible to receive TIFIA credit assistance, so long as the project is limited to only such surface transportation infrastructure modifications as are necessary to facilitate direct intermodal interchange, transfer, and access into and out of the port.”
 - Additionally, transit-oriented development (TOD) projects are eligible. Must include an analysis of the functional or physical relationship of the proposed TOD project and the transportation facility. If they are not connected, DOT may “consider the extent of the functional relationship between the two, such as the extent to which the TOD project enhances the use of, connectivity with, or access to the transportation facility.”

- Next Steps
 - Meeting with USDOT Build America Bureau to discuss eligibility
 - Drafting and submission of letter of interest/draft application
 - Credit review (must receive investment grade ratings from a nationally recognized credit rating agency)
 - Upfront payment of DOT advisors’ fees (\$250,000)

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Potential Additional Funding Opportunity: U.S. Army Corps of Engineers

Section 103 Authority - Coastal Storm Damage Reduction Projects

- The U.S. Army Corps of Engineers (USACE) can partner with a non-federal sponsor (sponsor) to plan and construct small coastal storm damage reduction projects that have not previously been specifically authorized by Congress and are not part of a larger project.
- Projects may be structural (e.g., seawalls, groins, breakwaters)
- Maximum federal expenditure: \$15M

- Project Development Process
 - Feasibility Study (generally up to 3 years)
 - The study is initiated with up to \$100,000 in federal funds.
 - Costs exceeding \$100,000 are cost shared 50 percent federal and 50 percent sponsor.
 - Sponsor's cost share may include cash, work-in-kind or a combination of both.
 - Design and Construction
 - Costs are shared 65 percent federal and 35 percent sponsor.
 - Sponsor must provide all lands, easements, rights-of-way, relocations, and dredged material disposal areas (LERRDs) needed for project construction and maintenance.
 - Sponsor's cost share includes credit for provision of required LERRDs and pre-approved work-in-kind. At least 5 percent of the cost share requirement must be provided in cash.

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2026 Washington, DC Engagement

- AAPA Legislative Summit – March 4-6
 - Networking with ports from across the country
 - Hill day with members and staff
- PNWA Mission to Washington – April 20-23
 - Group meetings with entire PNW delegation
- Potential Port-specific trip to DC
 - Targeting March

DC Trip Goals and Strategy

- Strategically leverage AAPA and PNWA attendance, and any additional trips, to ensure consistence and effective messaging on behalf of the Port with a unified message and clear funding request(s).
- Coordinate engagement with federal delegation and agency staff to leverage our relationships and touchpoints.
- Emphasize the importance of the project to not just the Edmonds community, but major stakeholders (WSDOT, BNSF) and the transportation and economic impacts of a potential seawall failure.